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Alberta

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MARCH 31, 1983

Alberta

ECONOMIC DEVELOPMENT

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ECONOMIC DEVELOPMENT

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Office of
the Minister

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Edmonton, Alberta, Canada
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March 1984

Hon. Gerard J. Amerongen
Office of the Speaker
Legislative Assembly of Alberta
325 Legislature Building
Edmonton, Alberta
T5K 2B7

Dear Sir:

We have the honour to present the annual report of Alberta Economic Development for the fiscal year ended March 31, 1983.

Respectfully submitted,

Hugh Planche
Minister
Economic Development

Horst A. Schmid
Minister
International Trade

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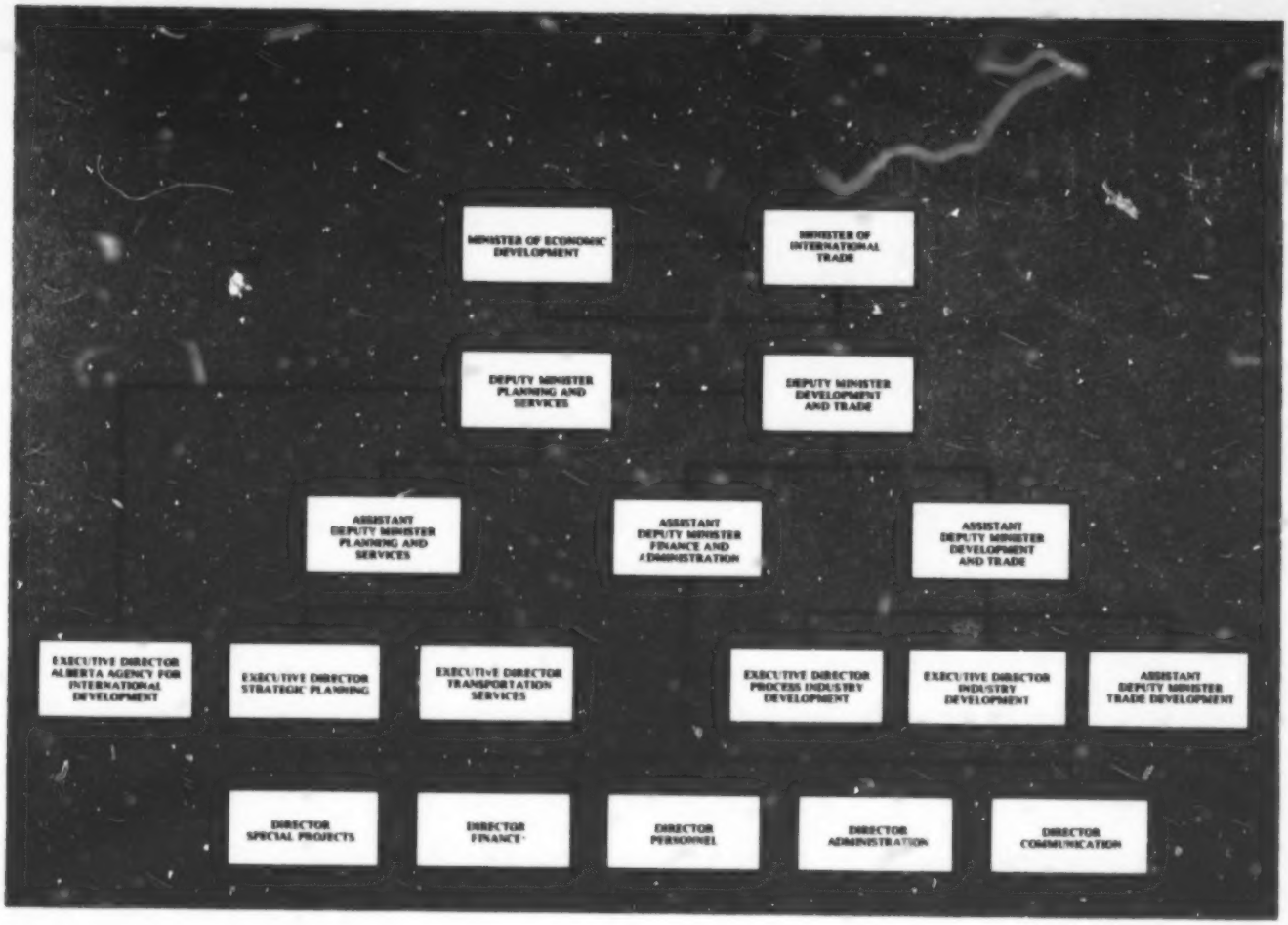
Organization Chart


MINISTER OF ECONOMIC DEVELOPMENT
MINISTER OF INTERNATIONAL TRADE
DEPUTY MINISTER PLANNING AND SERVICES
DEPUTY MINISTER DEVELOPMENT AND TRADE
ASSISTANT DEPUTY MINISTER PLANNING AND SERVICES
ASSISTANT DEPUTY MINISTER FINANCE AND ADMINISTRATION
ASSISTANT DEPUTY MINISTER DEVELOPMENT AND TRADE
EXECUTIVE DIRECTOR ALBERTA AGENCY FOR INTERNATIONAL DEVELOPMENT
EXECUTIVE DIRECTOR STRATEGIC PLANNING
EXECUTIVE DIRECTOR TRANSPORTATION SERVICES
EXECUTIVE DIRECTOR PROCESS INDUSTRY DEVELOPMENT
EXECUTIVE DIRECTOR INDUSTRY DEVELOPMENT
ASSISTANT DEPUTY MINISTER TRADE DEVELOPMENT
DIRECTOR SPECIAL PROJECTS
DIRECTOR FINANCE
DIRECTOR PERSONNEL
DIRECTOR ADMINISTRATION
DIRECTOR COMMUNICATION

Finance and Administration Division

Administration Branch
Finance Branch
Personnel Branch
Communication Branch
Special Projects

Finance and Administration Division

The responsibility of the Finance and Administration Division is to provide support to the department's two program divisions. This responsibility is undertaken by the division's five branches: Administration, Finance, Personnel, Communication, and Special Projects.

The division is also responsible for co-ordinating the department's legal requirements. Legal work related to contracts and legal opinions is sent to the Alberta Attorney General, where it is assigned to a lawyer for action.

Reports from the five branches are published on this and the following pages.

Financial statements of the department's budgetary estimates and expenditures are shown on the next page.

Administration Branch

The Administration Branch provides centralized electronic data processing (EDP), library and office support services to the department.

During the period under review, projects undertaken by the branch's EDP systems group included:

- Continued extension and updating of the federal/provincial BOSS (Business Opportunities Sourcing System), and making information from the system available for use by the department, the private sector, and government.
- Continued support of the Hopper Car Monitoring System which monitors the use of grain hopper cars purchased under the Alberta Heritage Savings Trust Fund.
- Development and implementation of a system to monitor all applications as they progress through the various stages of FIRA (Federal Investment Review Agency).
- Expansion of financial modelling and simulation software packages for departmental use.

The library continued to meet its goal of providing information services to the department. Its collection increased with the acquisition of new books, periodicals and annual reports.

The library also recorded increases in usage: 6,521 patrons used the library facilities; 9,005 items were borrowed (1,038 books, 7,183 periodicals, and 784 uncatalogued items); and 447 inter-library loans were arranged for departmental staff.

The informational database services were expanded. Staff performed 219 subject inquiries using many different databases, and offered several new economic databases which came on line during the year.

The office support services section provides the department with accommodation, purchasing, mail and telecommunications, parking, and other central office services. In 1982-83 the section established a records management program for the department and upgraded the Occupational Health and Safety Program.

Finance Branch

The Finance Branch provides centralized accounting, budgeting, and legal support services to the department. The branch also participates in short- and long-term financial planning. Specifically, its functions are to:

- ☐ Establish and maintain departmental accounting and budgetary records.
- ☐ Prepare annual departmental budgets, monitor expenditures throughout the fiscal year, and obtain alternative sources or additional funding when the need arises.
- ☐ Process grants, employee expense accounts and vendor accounts for payment; ensure compliance with the Financial Administration Act and other government acts and regulations.
- ☐ Co-ordinate the department's legal requirements by providing guidance and arranging for contracts and agreements.
- ☐ Develop and implement internal controls which advocate acceptable accounting practices.
- ☐ Provide recommendations, and implement financial policies and procedures established by the department's management committee.

Highlights in the implementation of these functions during the 1982-83 fiscal year were as follows. The branch:

- Continued to reduce the length of time required to process departmental accounts for payment.
- Continued to improve departmental accounting procedures and controls.
- Prepared and approved two special warrants:
  1) $1,700,000 to Global Thermoelectric Power Systems to provide financing for a research and development program.
  2) $3,900,000 to Chembiomed Ltd. to provide financing to commercialize patent discoveries in the field of blood technology.

Finance and Administration Division

Alberta Economic Development
Budget Estimates, Special Warrants and Expenditures
Classified by Vote and Sub-Program

	1982-83 Estimates	Special Warrants	Fund Transfers	Total Authorized	Expenditures for the Years Ending March 31 1983(a)	March 31 1982
VOTE 1 ECONOMIC DEVELOPMENT AND INTERNATIONAL TRADE						
Sub-Program 1: Program Support						
Minister's Office - Economic Development						
Minister's Office - International Trade						
Deputy's Office - Planning and Services						
Deputy's Office - Development and Trade						
Finance and Administration Division						
Total Sub-Program 1						
Sub-Program 2: Planning and Services						
Assistant Deputy's Office - Planning and Services						
Transportation Services Branch						
Strategic Planning Branch						
Total Sub-Program 2						
Sub-Program 3: Development of Industrial Programs						
Assistant Deputy's Office - Development and Trade						
Industry Development Branch						
Process Industry Development Branch						
Total Sub-Program 3						
Sub-Program 4: International Trade						
Trade Development Branch						
International Operations						
Total Sub-Program 4						
Total Vote 1						
VOTE 2 FINANCING - ECONOMIC DEVELOPMENT PROJECTS						
Sub-Program 1: Railway Relocation						
Lethbridge Project						
Total Sub-Program 1						
Sub-Program 2: Grain Handling/Storage Facilities						
Prince Rupert Grain Terminal						
Total Sub-Program 2						
Sub-Program 3: High Technology						
Medical and Pharmaceutical						
Energy						
Total Sub-Program 3						
Total Vote 2						
VOTE 3 INTERNATIONAL ASSISTANCE (b)						
Administrative Support						
Financial Assistance						
Total Vote 3						
Total Department						

(a) Unaudited
(b) Transferred from Culture under authority of Public Service Administration Transfers Act
(c) Transferred from the Salary Contingency Fund

Personnel Branch

The Personnel Branch provides advice and assistance at all levels in the department regarding utilization of human resources. Assistance is also provided to ensure that statutory and procedural requirements are met.

Areas of responsibility include recruitment and selection, position classification, salary and wage administration, employee relations, staff development, manpower utilization, organization development, and performance appraisal systems.

At the conclusion of the 1982-83 fiscal year, the department's staff establishment was 226 man-years, broken down as follows:

	Man-Years
Permanent and non-permanent salaried positions	208
Wages	9
Contract	14
Vacancy Discount	-5
	226

Highlights of branch activity during the reporting period included:

- Initiating and administering 44 competitions, plus entry level clerical and temporary recruitment. As of March 31, 1983 the active vacancy rate was 2.4 per cent of salaried positions.
- Reviewing and processing 70 classification requests.
- Administering and providing recommendations on 169 requests for sponsored staff development.
- Providing assistance and advice to management and supervisory staff on employee relations matters.
- Administering salary and wage operations, including the preparation and processing of all payroll documentation.
- Co-ordinating in-house training programs to meet specialized needs of departmental management.

Communication Branch

The Communication Branch provides public relations services to the department. These services include communication consultation; organization of ongoing media relations, such as arrangements for press coverage, interviews, press releases, and response to press enquiries; preparation of audio-visual materials such as films, slide shows, and video tapes; and the production of publications, brochures, folders, posters, and reports for the department.

During the reporting period, the branch supplied communication support to Alberta participation in both domestic and international trade shows and outgoing trade missions. Also, for each show and mission, a brochure with company profiles was prepared as a handout, an advertising campaign was planned, and press releases were issued. Company personnel biographies were prepared to supplement the material for outgoing missions.

Other production included pamphlets and booklets on department programs — both new and ongoing. Of particular significance is a series of booklets on the theme, "The Alberta Advantage", depicting the development, current status and projected future of various sectors of Alberta industry. Designed to maintain graphic continuity, these booklets are part of the department's visual identity package and are meant to support the department's marketing program.

Special Projects

During the fiscal year, the Special Projects unit continued to provide analytical support, project appraisal and advice to satisfy the financial needs of Alberta businesses in accordance with sound business principles. The unit also provided advice to interdepartmental groups on the development of new programs which would provide financial assistance to diversify industrial activity within Alberta.

The Special Projects unit carries out the detailed negotiations required to put in place approved guarantees, investments, and research and development incentives, and maintains day-to-day administration of these files. During the reporting period, the unit continued to administer departmental activities in the guaranteeing of and investing in businesses which were deemed to warrant such assistance.

Communications were maintained with other departments in connection with the unit's authority to provide research and development grants and guarantees. Liaison was maintained with private lending institutions and the financial community to keep abreast of developments which may be of benefit to those Alberta businesses which may require financing.

During the reporting period, special projects undertaken by this unit included:

- Negotiating the terms and conditions of a loan guarantee for a third-level air carrier to enable it to purchase additional flight equipment and to refinance the majority of its term debts.
- Assisting in negotiating the details of agreements between the government and a private Alberta-based venture capital corporation.
- Analysing and recommending a course of action relating to financing requested by a group of companies engaged in agribusiness.
- Negotiating and recommending changes to the articles and by-laws of a government-owned agribusiness.
- Holding discussions regarding the establishment of a garment manufacturing business in Alberta.
- Holding discussions with various groups proposing to establish manufacturing and/or marketing facilities relating to microelectronics, computers and computer components in Alberta.
- Appraising and making recommendations for financial assistance from individual businesses.

Development and Trade Division

The Development and Trade Division comprises three branches: Trade Development, Industry Development, and Process Industry Development. The division also maintains international offices in London in the United Kingdom, and in Los Angeles and Houston in the United States.

The objective of the division is to assist in the economic development of Alberta by:

- Assisting in the development and expansion of Alberta companies.
- Stimulating new investment.
- Enhancing the performance of the various industrial sectors.
- Assisting Alberta companies to market their goods and services outside the province.

The division's Trade Development Branch assists the manufacturing and services sectors to expand trade outside the province by identifying specific export markets and projects, foreign joint ventures, and licensing opportunities. The branch's activities include the co-ordination of Alberta participation in national and international trade shows, and the organization of missions with Alberta firms to foreign markets. The branch also assists foreign trade missions and companies visiting Alberta or seeking information on the province.

The Industry Development Branch assists in the performance of Alberta industrial sectors, particularly those which have export potential. The branch concentrates on the development of the engineering and construction, film, and manufacturing industries; and on the establishment of the province as a centre for research and high technology. Alberta industrial development opportunities are identified, and investment from foreign and domestic sources is encouraged.

The Process Industry Development Branch assists in the performance of the chemical, petrochemical, energy, food processing, forest products, and health care industry sectors. Emphasis is placed on industries which have opportunities for export development. Joint ventures and direct investment from both foreign and domestic sources are encouraged and assisted by this branch. Such assistance includes the organization and co-ordination of foreign investment missions to Alberta.

Reports from these branches follow which provide information on their activities during the reporting period.

Trade Development Branch

A dramatically tightened world economic situation during the reporting period resulted in unprecedented numbers of Alberta companies seeking new export opportunities. Trade Development Branch programs which assist Alberta companies to penetrate world markets resulted in a doubling of the previous year's number of active export projects. Alberta firms continue to show greatest financial viability when pursuing a sound domestic and export-oriented sales program.

In 1982, Alberta's exports were estimated to be $11.7 billion. This represents about one quarter of the province's gross domestic product. The total is comprised of $2.1 billion of agricultural exports, $6.4 billion of primary energy exports, $2.7 billion exports of manufactured and other goods, and $500 million in the export of services.

Pacific Rim/Asia and Eastern Europe were the major regions to which export shipments increased. In 1982, exports to the Pacific Rim/Asia grew by about 10 per cent to $636 million. Another growing market for Alberta is Western Europe, followed by Latin America, the Middle East, and Eastern Europe. Among individual countries, the province's main customers are the United States, Japan, the Netherlands, Australia, South Korea, Brazil, China, and the Soviet Union.

Over the past few years, Alberta's export product mix has changed. Energy exports, which still account for the majority of Alberta's export earnings, are slowly being reduced as a share of total exports. Primary and secondary manufacturing, which made up about 19 per cent of total exports in 1977, accounted for 28 per cent of the 1982 exports.

The 1982-83 fiscal year saw expanded use of the Market Development Assistance Program, with 176 Alberta firms participating. The branch's International Finance Sector provided consulting services on an additional 400 project opportunities emanating from international financing institutions. The Mission Co-ordination Sector saw an all-time high in the number of incoming trade and investment missions handled.

Such activity emphasizes how important the international market place is as one of Alberta's major economic challenges and opportunities. Creating even greater awareness of the challenge and the means to take advantage of the opportunities is the branch's primary role.

Reports follow from the operating sectors into which the branch is organized.

Trade Expositions Sector

This sector participated in six major international trade shows and 10 domestic trade shows and fairs. These

included two trade fairs, seven oil and gas shows, four farm equipment manufacturer shows, one geophysical exploration show, one construction show, and one recreation products show.

Among these were several expositions in which Alberta participated for the first time. These included the Hannover Trade Fair in West Germany, and the Society of Geophysicists Show and Conference in Dallas, Texas.

Alberta's participation reflected the sector's ongoing policy of extending assistance to a more diverse industry base. Another sector "first" saw eight Alberta companies participate in an energy-related show in Delhi, India.

Also during the reporting period, four information stands supporting Alberta industry were used in domestic shows in Alberta and Nova Scotia.

United States Sector

This sector actively assisted Alberta companies in secondary manufacturing and service industries to market their products and services by participating in trade shows and foreign missions. These programs were co-ordinated by the Canadian consulates in the United States and the Alberta Government Trade Offices in Los Angeles and Houston. The sector participated in Ministerial missions to Arizona, California and Texas in support of the oil and gas equipment and services industries, building supply products manufacturers, and agricultural equipment manufacturers. The sector organized and co-ordinated 12 trade missions, 10 reconnaissance calls, three trade shows and four incoming trade missions.

The sector is also encouraging trade opportunities in co-operation with the Western Governors' Trade Development Committee. Emphasis is placed on assisting private sector companies through the exchange of international trade missions between selected western states and Alberta.

Alberta's export trade has been further expanded by developing sales contacts and industry opportunities in the southeastern United States, with linkage through the State of Florida to Latin America.

As a result of these activities, actual sales during the year were $12.6 million; potential sales of $274.1 million were identified.

Latin America Sector

The world economic situation, and the concurrent slowdown in development of resources, has seriously affected most Latin American countries. The principal products being promoted in Latin America and the Caribbean are related to oil and gas, agriculture, forestry, and mining. In these industries, exports of equipment, services, and engineering consulting are being encouraged, as well as technology exchanges.

During the year, the sector participated in Ministerial missions to Guatemala, Mexico, Panama, Peru, and Venezuela. These missions were supplemented by trade delegations to Trinidad and Venezuela and by reconnaisance calls to Bolivia, Columbia, Guatemala, and Mexico. In addition, 13 incoming groups of buyers visited Alberta from Brazil, Jamaica, Mexico, Peru, Trinidad, and Venezuela.

As a result of these activities, private sector companies realized actual sales of $30.2 million, and identified potential sales of $133.5 million.

Europe/Middle East/Africa/Soviet Union Sector

A continuing interest in Alberta oil and gas products and technology exists in Europe. Also, oil-producing countries in Africa are continuing their drive for self-sufficiency, and some cautious optimism exists for future economic development in that area.

Alberta continued its successful trade relations with the Soviet Union and, through co-ordinated efforts with the federal government, experienced another year of increased sales contracts.

During the year, the sector participated in three Ministerial missions which visited Abu Dhabi, Bahrain, Dubai, Egypt, Kenya, Oman, Portugal, and the Sudan. Four mini-missions and ten reconnaissance calls were organized to France, Germany, the Netherlands, Portugal, Spain, the United Kingdom, the Soviet Union and the Middle East.

In addition to these outgoing missions, 73 incoming delegations from foreign countries visited Alberta. They were primarily concerned with opportunities in oil and gas, petrochemicals, and agriculture.

As a result of these activities, actual sales of $63.1 million were completed and another $384.7 million potential sales were identified on behalf of Alberta companies.

Pacific Rim/Asia Sector

Alberta companies increased their marketing efforts in Asia during the past year. In response to Alberta's invitation, the People's Republic of China sent a delegation of petroleum experts from the Gaotaizi and Zhongyuan-Wenliu oil fields to Alberta to identify potential suppliers of oil and gas equipment and services. While in North America, the delegation completed financing arrangements for a $162.4 million loan from the World Bank for projects in each of these fields.

In February 1983, the sector and eight Alberta companies participated in the Chemtech '83 Oil and Gas Trade Exhibition in Delhi, India. Actual sales of $13.5 million were made, and potential sales of $110 million were identified.

The sector continued its bid to encourage the Japanese to consider Alberta oil and gas equipment manufacturers as partners in projects in third countries.

Among members of the Association of South East Asian Nations (ASEAN), the sector placed greater emphasis on the dissemination of information concerning specific projects financed by international development agencies. The sector also assisted Alberta companies to obtain financing to conduct feasibility studies in this particular area.

Canadian Sector

During the 1982-83 fiscal year, this sector assisted Alberta companies to generate substantial sales of offshore drill rig construction and related supplies. In this context, the sector:

- Developed future trade opportunities and established Alberta content with an incoming buyers' mission.
- Assisted approximately 30 Alberta companies to exhibit their material at the Canadian Offshore Resources Exposition (CORE) in Halifax.
- Organized a mini-mission to Nova Scotia for 15 Alberta companies. As a result, a branch plant was established in Halifax by one of the participating companies, and four potential joint ventures were identified.
- Contacted major oil companies regarding their supply requirements for exploration activities in the Northwest Territories and the Beaufort Sea.

The sector also concluded the development, implementation and presentation of Alberta's first "Export Achievement Awards" program, which recognized the achievements of 17 Alberta companies for their success in international marketing. Alberta was the first province to institute such a program.

The Market Development Assistance Program processed 176 applications, assisting Alberta companies to expand their export trade activities. The sector represented the branch in three export seminars to explain the services it offers.

Specialty Projects Sector

This sector initiated a series of ongoing discussions with educational groups in the private and public sectors regarding the marketing of educational and training services within Alberta and abroad. The sector assisted several companies to develop training proposals for foreign customers. To further enhance the marketing of oil and gas training and education, an oil and gas education index was published and is being distributed by outgoing missions.

The sector organized a Ministerial mission to Costa Rica in which seven private sector representatives participated. Sector personnel also visited Indonesia and Pakistan to investigate sales opportunities for agricultural and oil and gas equipment and services.

International Finance Sector

This sector consulted with Alberta companies on over 400 specific projects to acquire financial assistance from international financing institutions. These institutions included the World Bank, the Inter-American Development Bank, the Asian Development Bank, the United Nations, the Canadian International Development Agency, and the Export Development Corporation. Financing was obtained for projects by private companies in Colombia, Egypt, India, Nigeria, Peru, and the Philippines. These projects are using Alberta companies in the areas of oil recovery, engineering services, reforestation technology, oil and gas equipment, geological surveys, gas processing equipment, and road building equipment.

The sector arranged for presentations to Alberta companies informing them of services available from the Canadian International Development Agency, the Export Development Corporation, and the federal Department of External Affairs. The sector also co-ordinated the participation of Alberta companies in technology transfer missions sponsored by the Canadian International Development Agency in China, Columbia, India, Singapore, and Trinidad.

Mission Co-ordination Sector

During the reporting period, this sector co-ordinated visits to Alberta by 122 incoming trade and investment missions from 45 countries. This compares with a similar number of incoming trade and investment missions during the previous fiscal year.

International Offices

The branch maintains three international offices: in London in the United Kingdom, and in Los Angeles and Houston in the United States.

London. Alberta representatives in London visited more than 20 cities in Europe, in addition to a large number in the United Kingdom, in connection with economic development opportunities for Alberta companies. They attended numerous trade expositions and conferences with Alberta companies, and participated in Ministerial missions.

The London office assisted representatives of Alberta companies visiting Europe by arranging meetings, furnishing new contacts, and accompanying them where necessary. The office also organized promotional seminars and trade missions to Alberta.

Los Angeles. This office participated in several Ministerial missions and mini-missions as well as in trade expositions which involved Alberta companies. The office also evaluated numerous trade expositions for Alberta's involvement in the future, and contacted companies in the area on behalf of Alberta companies regarding export prospects, countertrade, investment

opportunities, and joint ventures. Many companies in Alberta were visited to determine their export capabilities.

Houston. This office conducted similar activities to those undertaken by the Los Angeles office. During the reporting period, the office expanded its operations into the southeastern United States, participating in a series of missions and trade seminars on joint ventures on behalf of Alberta companies. The office also expanded its contacts with international purchasing offices located in Houston, which are beginning to consider Alberta oil and gas equipment as a competitive alternative to equipment from the United States.

Industry Development Branch

The objective of the Industry Development Branch is to enhance to the maximum possible extent the activities of business and industry in the province. To this end, the branch:

- Identifies, counsels, and otherwise assists individuals and companies in establishing new businesses and industries in Alberta, and similarly assists existing businesses and industries to prosper and expand.
- Encourages joint ventures, technology transfer, and investments between Alberta and domestic and foreign companies.
- Identifies opportunities for development and expansion of businesses and industries in Alberta.
- Proposes appropriate alternative development strategies, action policies, and programs which contribute as effectively as possible to the overall economic and social goals of the province.
- Implements, administers and evaluates the government's economic development programs as they affect the branch's area of responsibility.
- Provides government with information on activities and needs in those sectors and business areas which are important to the government's decision-making process.
- Administers the government's industrial projects policy for major construction developments requiring government approval.
- Provides assistance to other branches of the department and other departments of government on matters pertaining to the business and industry sectors, on business aspects of scientific and engineering matters, on commercialization of technology, and on industrial science policy.
- Assists Alberta companies at various trade fairs, conferences, and similar functions.

The branch's work is divided among four sections: Engineering and Construction, Film Industry, High Technology, and Manufacturing. In particular, the branch concentrates its efforts on agricultural equipment, electrical/electronics, plastics, construction/engineering/procurement, film production, high technology/research and development, metal fabrication and service industries. In addition, the branch administers the Product Development Program through which assistance is provided to Alberta companies to develop well-designed new and innovative products.

Other major activities during this reporting period included:

- Delivery of presentations on the potential of Alberta's economic development to incoming foreign investment missions and groups, and to

corporate executives from Canada and from around the world.

- Participation in outgoing industrial investment missions and in trade and technology shows in the United States, Europe, and other countries.

Engineering and Construction Section

This section's work is divided among three units: Alberta/Canadian Content in Major Projects, Metal Fabrication, and Services.

Alberta/Canadian Content in Major Projects. This unit implemented the Alberta/Canadian content policy on industrial projects, liaised with other departments in implementing the Alberta Government's "Accelerated Program of Support for Alberta Companies", and worked with consulting engineers and contractors in the province. During the 1982-83 fiscal year the unit:

- Worked with many engineering and construction companies to identify opportunities and suggest new directions and diversification initiatives.
- Surveyed the employment situation with consultants, and participated in studies of engineering, procurement and construction firms and of provincial procurement practices.
- Developed situation reports on the engineering and construction sector, and proposed strategies for economic resurgence.
- Continued to implement the Alberta/Canadian content policy on 20 ongoing projects totalling $9.3 billion; monitored engineering plans, procurement activities and bid lists, and construction activities.
- Implemented the Alberta/Canadian content policy on approximately 30 potential projects totalling $13 billion.
- Encouraged diversification, technology transfer, and joint ventures with foreign firms for the engineering and construction sector. Prepared a five-year review which identified firms the sector has liaised with on joint venture interests.
- Liaised with the federal government regarding industrial benefits to Alberta companies of Canadian projects outside Alberta, such as developments in the Beaufort Sea.
- Handled numerous requests from Alberta firms for better participation in government projects. Developed the "Accelerated Program of Support for Alberta Companies", and implemented this program in co-operation with other departments.
- Provided technical evaluation of five proposals for the petrochemical terminal at Prince Rupert in British Columbia.
- Prepared an analysis of anticipated project activity from 1982 through 1984.

Metal Fabrication. This unit's prime responsibility is the growth, expansion and diversification of the metal fabrication, machinery, and transportation industries. During the 1982-83 fiscal year the unit:

- Identified major project opportunities which resulted in the establishment of new and expanded manufacturing facilities in the province for gas and oilfield equipment, cast steel valves, and other components.
- Undertook studies to find opportunities for manufacturing companies to expand and diversify in the areas of valves and pipe fittings; heating, ventilating and air conditioning equipment; and CAD/CAM (computer-aided design and computer-aided manufacturing) equipment.

Services. This unit counsels service company personnel such as engineers and business and electronic data processing consultants on how to export their services. During the 1982-83 fiscal year the unit:

- Introduced foreign business visitors to their Alberta counterparts in order to facilitate joint ventures and technology transfers.
- Assisted Alberta companies to pursue business under current military and company offset programs.

Film Industry Section

This section promotes the production of Canadian and foreign cinema and television films in Alberta and maintains contact with international film producers and production companies. Location scouting for producers is accomplished by private sector consultants under contract to the section. During production, producers may call on this section to liaise with all levels of government.

The section also provides counselling for Alberta film makers and offers a viable link to government for the graphic arts industry, professional photographers, weekly newspapers, and the recording industry.

During the reporting period:

- The Alberta Motion Picture Development Corporation was officially opened in December 1982. The corporation offices are located in Canmore.
- Two major theatrical films were made in the province: "Superman III", filmed in Calgary; and "Running Brave", filmed in Edmonton and Drumheller.
- A television feature film, "The Wild Pony", was made by an Alberta producer.
- Several large-budget television commercials and features were filmed in the province. Television features included "Chautauqua Girl" (CBC), "Viva Canada" (Japanese TV), "Spice of Life" (BBC), and "David" (Atlantis Films).

- Additional programs to assist the film industry were initiated in conjunction with Alberta Advanced Education and Manpower. Grants, loans, and scholarships are available to film students. An on-the-job training program is available for graduate students. Marketing assistance is provided to the film industry by the Trade Development Branch and by part-time marketing agents located in London and Los Angeles.

High Technology Section

This section encourages research and development and the high technology industry in Alberta by working with industry, academia and government to identify and implement high technology opportunities. As part of its efforts, the section also evaluates and develops programs to encourage high technology.

During the fiscal year the section's activities included:

- Work in support of the establishment of Vencap Equities Alberta Ltd. This corporation is being structured as a public corporation owned and operated in the private sector to provide equity-linked capital financing for the benefit of Alberta business enterprises. The venture capital corporation will help to develop, diversify, expand and strengthen the industrial base of the province, especially in high technology.
- Assistance to industry undertaking high technology projects in areas such as electronics, lasers, communications, materials, medical diagnostics, oilfield equipment, and computer-aided designs. Assistance was provided to businesses establishing new facilities such as finding an appropriate location in Alberta for the Canadian headquarters of the world's largest independent research and development organization.
- Co-operative efforts with other public agencies pursuing high technology development including cold regions research, electronics computer-aided design and manufacturing, astronomy, research and development, joint venture projects, and research parks.
- A study to identify computer-aided design and manufacturing opportunities in Alberta. Efforts continued to determine appropriate mechanisms for encouraging the development of technology-intensive industry in Alberta and the commercialization of new products and processes.

Manufacturing Section

This section's work is divided among four units: Agricultural Equipment, Plastics and Textiles, Electrical/Electronics, and Product Development (which includes Contract Furniture and Furnishings).

Agricultural Equipment. This unit continued to expand its assistance to Alberta companies in market growth out of the province through farm shows and trade fairs. Mid-western United States' farm shows were attended for the first time through the assistance of the Trade Development Branch.

The Farm Implement Buyers Guide was published and distributed to 250,000 farmers, distributors, dealers and agents in North America.

Plastics and Textiles. During the year, this unit developed a sector profile of the Alberta plastics industry, in conjunction with the Society of the Plastics Industry of Canada.

The unit assisted in the involvement of Alberta companies in a technology mission to the United States to discuss opportunities arising from the military offset program. A group of representatives from injection moulding companies was taken to visit the major technical centres in Ontario, resulting in increased awareness of innovations in processes, equipment, and production methods.

New investment opportunities were identified in major industry sectors, and discussions are continuing regarding plant locations.

The unit organized and hosted industry seminars in export development and technology training.

Electrical/Electronics. This unit works closely with the branch's High Technology Section, the Alberta Research Council, the universities, and the electrical/electronics industry to provide a complete industry development service. In this context, a highlight of the reporting period was the unit's involvement in the formation of the Electronics Industry Association of Alberta, the prime purpose of which is to promote co-operation within the industry sector and promote the interests of the industry in general.

Also, during the year, an index of manufacturers, entitled "Electronics in Alberta", was published and has proven to be an effective promotional and marketing tool for the industry.

Product Development. This unit assists Alberta manufacturers improve the design and quality of their existing products, or develop new and innovative products by providing 75 per cent of the cost of product development to a maximum of $30,000 per project. To date, the program has supported 52 projects.

The unit has extended its activities to provide specific assistance to the furniture industry. This activity is related to the contract furniture and furnishings sector.

Process Industry Development Branch

The objective of the Process Industry Development Branch is to maximize the performance and development in Alberta of the following sectors: chemicals, energy, food processing, forest products, health care, industrial investment, and marketing industries. To this end, the branch:

- Provides guidance on site location, sources and use of financing, business planning, government regulations and services (federal, provincial and municipal), market data sources, technical and production problems, and information related to resources.
- Proposes alternative strategies for the development of key process industry sectors.
- Implements and operates the Alberta Government's industrial development policy.
- Identifies opportunities and stimulates action to realize these opportunities by encouraging new investment, both domestic and foreign, preference being given to joint ventures involving Albertans.
- Maintains co-ordination and linkage between industry, investors and the financial community.
- Develops marketing strategies, proposes programs, and identifies market demand factors for the process industry sector.
- Provides assistance on industrial and technical matters to the Ministers, and develops policy advice on topics related to sector activities.

During the reporting period, branch personnel were involved in the following major projects:

- Promotion of Alberta petrochemical opportunities and review of the demand for, availability of, and the extraction costs of ethane as a feedstock.
- Participation in public hearings of the Brazeau Timber Development Area proposal, investigation of the potential for lumber export overseas, and participation in the forest products research and development program.
- Identification of development opportunities and additional program requirements to enhance development of the process industry sectors in Alberta through preparation of internal analysis and supervision of consultant studies.
- Promotion of development opportunities such as food processing to companies in Alberta and abroad through symposiums, conferences, and company visits.

Reports from sections of the branch which specialize in each of the process industry sectors follow on this and subsequent pages.

Chemicals Sector

During the 1982-83 fiscal year, this sector:

- Assisted with the issuance of industrial development permits for three major petrochemical projects. Two major petrochemical projects were completed during the year and construction is continuing on another six.
- Undertook a major review of the demand for ethane, its availability, and the costs of its extraction in order to determine the feedstock outlook of the ethylene-based chemical industry in Alberta and the impact of the proposed extraction on the cost of ethylene. A consultant study was commissioned and the natural gas processing industry was contacted for its views prior to the development of policy recommendations.
- Continued investment development activities which included hosting major investment missions from Japan and holding 12 meetings with different Japanese companies and banks which visited Alberta to investigate opportunities for investment. Major investment promotion meetings were also held with companies in Alberta, the rest of Canada, and with international companies.
- Provided input to the selection of developer/operator for the proposed petrochemical terminal at Prince Rupert. While the development of the site has been delayed, efforts are continuing to ensure that this approved site remains available for future development.

Energy Sector

During the 1982-83 fiscal year, this sector:

- Supplied information and made presentations to domestic and foreign representatives from the private and public sectors on energy matters related to reserves, production, pricing, current developments, and government regulations.
- Co-ordinated meetings between certain Alberta coal companies and foreign investors seeking joint venturing opportunities. For example, organized the New Energy Development Organization mission for a group of Japanese engineers and businessmen interested in Alberta coal mine developments, equity investment possibilities, and coal conversion research and development.
- Prepared written reports on preliminary disclosures and applications for five proposed coal projects in Alberta.
- Participated in an analysis on the effect of the Alberta Electric Energy Marketing Agency on energy-intensive industry, and arranged for affected firms to meet on a tripartite basis with the agency and Alberta Economic Development.

- Represented the department on three interdepartmental committees, and several industry associations, societies, and committees.

Food Industries Sector

During the 1982-83 fiscal year:

- The sector was involved in meetings with food processing companies throughout central and western Canada as part of the branch's objective of attracting new investment to the Alberta secondary and tertiary food processing industries. Industry presentations and company visits were made to European food processing establishments regarding direct investment, joint venture, and licensing opportunities in Alberta. As a result of such presentations and meetings, potential investments have been identified for Alberta in categories such as bakery products, snack food, syrups, sauces, specialty processed meat products, and starch/protein.
- The department co-sponsored several food processing industry conferences in Alberta. Sector representatives attended various other Canadian food processing industry conventions and conferences in an effort to attract new investors to Alberta.
- The department completed two food processing consultant studies (Bakery Products Industry and Specialty Processed Meat Industry) on development opportunities in the Alberta food processing industry.
- A consultant's study on program requirements for the Alberta secondary and tertiary food processing industry was completed. Program development evaluations were also completed for the greenhouse industry (task force assignment) and the fish industry (task force assignment).
- A feasibility study for consolidating outbound truckloads of several Edmonton area food processing firms was completed. When consolidation is implemented, the cost for food processors to serve distant major markets will improve.
- In-house research projects were completed on market development opportunities, long-range planning, technology developments, industrial infrastructure requirements of the food processing industry in Alberta, and development opportunities for the Alberta packaging industry.
- Recommendations were made regarding the Economic Resurgence Program.

Forest Industries Sector

During the 1982-83 fiscal year, this sector:

- Reviewed proposals for the development of the Brazeau Timber Development Area. Eight development proposals were received by the deadline of June 1, 1982, including three proposals for large developments.
- Was involved in public hearings held in Drayton Valley and Rocky Mountain House during the week of August 24, 1982 to obtain public input on the Brazeau allocation.
- Was involved in a lumber export mission investigating potential European lumber markets.
- Reviewed a proposal to construct an aspen cattlefeed plant at Drayton Valley.
- Made possible the continuance of the Forest Products Research and Development Program at the Alberta Research Council by obtaining joint funding by Alberta Energy and Natural Resources and Alberta Economic Development.
- Commissioned several consulting studies during the year. These included studies on export sawmill retooling, sawmill modernization, secondary manufacturing, timber development optimization, and a bibliography of poplar utilization.

Health Care Industries Sector

During the 1982-83 fiscal year, this sector:

- Was involved in several major activities which will have intermediate- and long-range positive impact on scientific and industrial development in Alberta.
- Continued to provide information and assistance in support of changes to Section 41 of the Federal Patent Act. A high level of activity was created by the recognized need for changes to compulsory import licensing so Alberta can attract new investment in research and development and production of drugs and products related to biotechnology.
- Prepared a schematic rationalization for a modular development of a proposed accelerator research facility in co-operation with the Alberta Research Council. Contact was maintained with the key committee personnel at the University of Alberta and the Cross Cancer Institute. Advice and opinions were provided when appropriate.
- Initiated activity toward increased interest in technology transfer with specific reference to pharmaceutical and medical research at Alberta universities.
- Began a preliminary investigation into capabilities within Alberta industries for the manufacture of diversified products for use in the field of health care and associated institutions.
- Assisted in the arrangements for Medic Canada '83, the international scientific conference and exhibition held in May 1983. Through the sector office, contacts were facilitated between the conference producers and the Alberta organizations involved.

Investments Industries Sector

During the 1982-83 fiscal year, this sector:

- Compiled an investor list from various sources. This list was used intensively in preparing for the Advanced Electronics Investment Seminar held April 8, 1983. The seminar's purpose was to encourage investment in manufacturing. This list will also be used as a mailing list for the Alberta Innovation Bulletin, currently in production. This bulletin will advise investors of projects requiring funding.
- Held consultations with the Securities Commission to interpret the intent of the changes made to the Securities Act and simplify access to financial markets by private business.
- Continued consultations with industrial leaders to pursue syndications consisting of a core investor with industrial experience and passive investing groups from the professions and elsewhere.
- In co-operation with several electronic firms, began preparing a brief to the Securities Commission for greater disclosure of marketing risk because of the doubtful investment quality of certain recent Research and Development tax shelter offerings. Commission staff have encouraged this step.
- Worked in close liaison with the Microelectronics Center at the University of Alberta concerning project funding.
- Continued relations with financial institutions, which are developing and maturing satisfactorily. The sector decided against general social contact from the outset and concentrated instead on one-to-one contact through field case work.

Marketing Industries Sector

During the 1982-83 fiscal year, this sector:

- Completed an assessment of Japanese thermal coal demand for 1980-90.
- Was involved in the updating and publishing of the coal brochure, in "The Alberta Advantage" series.
- Was involved with the Canadian lumber producers which received a favorable interim decision by the Federal Tariff Commission on anti-dumping charges levied by some United States producers. A final decision is due in mid-year. This market is vital to the continuation of the forest products industry in Alberta.
- Assisted in an exploratory forest products mission to Europe in an effort to broaden export markets and lessen dependence on markets in the United States. A significant potential market for Alberta lumber was identified in the United Kingdom. An assessment of the costs of doing business in offshore markets was completed. This included transportation, quality control, promotion, and mill conversion costs. Sourcing enquiries for forest products were referred to the private sector.

Planning and Services Division

The Planning and Services Division is responsible for research, policy planning, consultation, and negotiation in various areas related to the development of the province's economy. The division also acts as a catalyst, in the transportation area, to ensure the implementation of new projects.

The division's responsibilities are undertaken principally by its two branches: Strategic Planning and Transportation Services. Also, the division is responsible for the Alberta Agency for International Development, which was transferred to the department during the 1982-83 fiscal year.

During the reporting period, policy research programs into economic and transportation "futures" were continued. "Futures" work involves investigation of longer term social and technological developments in the world, and the threats or opportunities they may pose for Alberta. This research provides a data base for decision-making, and improves the likelihood that choices seen as good today will prove attractive in the future.

Also, policy research continued on the relationship of transportation and other types of infrastructure to the location and nature of economic development.

Activity in both branches increased in line with the province's thrust to broaden its industrial base. Much of this activity involved interface with the federal and other provincial governments.

Following on this and subsequent pages are highlights of the work of the division's two branches and of the Alberta Agency for International Development.

Strategic Planning Branch

The fundamental objective of the Department of Economic Development is to implement the economic strategy of the Government of Alberta. The fundamental objective of the Strategic Planning Branch is to provide the detailed development of that strategy and the planning direction required for its satisfactory implementation.

The main thrust of branch activity is to identify the best opportunities for achieving the goals and objectives of the Government of Alberta with respect to economic development. The branch looks to the future and assesses the threats and opportunities which await the provincial economy. Branch staff are responsible for examining the implications of these with respect to the province's strengths and weaknesses and, within the terms of the department's mandate, to advise on the best course of action, prepare policy and strategy recommendations, monitor policy implementation, and provide feedback on performance.

With respect to interdepartmental activities, the branch has three functions: providing research assistance, disseminating research information, and co-ordinating services in areas where there is overlap between branches and between departments.

The principal activities for which the branch is responsible are these:

Departmental Planning. The branch works with other branches of the department to produce annual and longer term statements on concerns that affect the department's mandate and goals. These statements, tied to specific work programs, help steer all branch efforts more precisely toward fulfilment of mandate and goals. They serve also as the first stage of the annual budgeting process.

The branch prepares briefing material for ministerial and deputy minister conferences, evaluates and develops provincial positions on federal and provincial economic programs, and makes recommendations for action.

Economic/Financial Analysis. The branch maintains a capacity to evaluate the financial status of proposed projects. This includes financial and cost/benefit analyses.

Research. The branch co-ordinates research activities and the management of the department's consultant policy.

Program Evaluation. The branch evaluates federal and provincial policies and programs as well as projects initiated by other branches. To effect this evaluation, the branch represents the department on appropriate inter-departmental and federal/provincial committees.

Information Dissemination. The branch prepares and delivers business and economic information for and to the private and public sectors. This includes the

processing of certain information requests, and the development of key publications and appropriate information systems.

During the reporting period, the branch prepared the following publications: Alberta Exports 1982, Country Trade Profiles, Public Sector Purchasing Study, Manufacturing Index, Alberta Industry and Resources, Consulting Engineers in Alberta.

Co-ordination of Departmental Policy and Positions. The branch co-ordinates departmental policy and positions on economic development issues, particularly on those that cross branch and division lines.

* * *

Organizationally, the branch is structured according to various stages of the management process. The following directorates have been established for each stage: Development Priorities and Evaluation, Futures Assessment, Domestic Economic Structural Analysis, and International Economic Structural Analysis. Details of each directorate's activities follow.

Development Priorities and Evaluation

This directorate deals with the "why" issues of economic development relating to objectives and performance. Its responsibilities are to develop the detailed and quantitative measures necessary to evaluate Alberta's economic development, and to provide the data necessary to assess the status of the department and the economy. The directorate also feeds back information that enables the province's economic strategy to develop over time as conditions change.

Ongoing activities during the reporting period included:

- Developing and monitoring policy to maximize Alberta and Canadian industrial benefits.
- Participating in the co-ordination of infrastructure requirements relating to the development of major industrial projects.
- Identifying gaps and inefficiencies in the infrastructure necessary for sustained economic growth, and suggesting mitigative measures.
- Monitoring and developing policies directed toward enhancing the investment climate as the basis for economic growth.
- Formulating and implementing industry sector strategies including performance criteria in response to apparent growth opportunities.
- Designing and monitoring a policy for tax expenditures and other incentives that may be used to affect investment decisions in support of specific growth strategies.
- Assessing the economic potential of communities and regions, and developing strategies for their future economic development.
- Developing policies and programs to deal with geographically balanced growth and the diversification of local economies.

Futures Assessment

This directorate deals with the "what" issues confronting the economy. It focusses particularly on which sectors and which geographic markets hold the most promise for Alberta. The directorate analyses significant world trends which could present threats to or opportunities for economic development in the province.

Following an initial assessment of the world environment based on in-house research and contacts with experts in various countries, a set of alternative world economic scenarios has been created. These scenarios are updated regularly, based on information gained from a scanning and monitoring system which identifies and interprets significant trends and events. A backdrop is thus created against which economic development initiatives can be assessed. With this as a database, a wide range of issues related to the intermediate and longer term future can be addressed.

Projects completed during the reporting period included:

- Development of four scenarios of world economic development.
- Assessment of trends and developments in Eastern Europe and the Soviet Union: Implications for Canada and Alberta.
- Review of the applications of genetic engineering.
- Development of matrix techniques for strategic analysis.
- Study of world trends and their economic impact.
- Participation in Fifth Canada/Japan Consultations on Science and Technology.
- Participation in an interdepartmental working group on computer communications policy.

Ongoing projects during the reporting period included:

- Scanning and monitoring significant trends and events.
- Studying various applications of computer-assisted design and manufacturing in Alberta.

Domestic Economic Structural Analysis

This directorate deals with the "how" issues of economic development. It advises which policies, institutions and instruments are most appropriate for a given economic development objective. Improvements to existing policies are considered from a provincial and a federal/provincial perspective. This includes such areas as government regulations, foreign investment,

manpower, immigration, procurement, competition, research and development, and interprovincial/territorial trade.

Ongoing projects during the reporting period included:

- Co-ordination of analyses of federal industrial and regional strategies, and assessment of their impact on Alberta.
- Co-ordination of the development and the assessment of provincial economic strategies.
- Analysis of foreign investment applications referred to Alberta by the Foreign Investment Review Agency.
- Analysis of entrepreneurial immigrant cases referred to Alberta by Employment and Immigration Canada.
- Development of provincial positions on federal foreign investment policies and procedural initiatives.
- Development of provincial positions on federal immigration policies and their impact on the Alberta economy.
- Assessment of government procurement policies at the federal and provincial levels.
- Co-ordination of departmental activities related to regulatory reform at federal and provincial levels.
- Co-ordination of departmental activity on competition policy.
- Investigation of the impact on economic development of tax reform proposals, such as flat tax.
- Investigation of mechanisms such as tax incentives which are designed to enhance research and development in Alberta.

International Economic Structural Analysis

This directorate was formed during the 1982-83 fiscal year in recognition of the increasing importance of trade to the Alberta economy, and to provide advice on which policies and organizational forms are most appropriate for given government objectives. The directorate evaluates trends in world trade and assesses the impact of provincial, national, and international legislation, programs, and policies on Alberta trade.

Ongoing activities during the reporting period included:

- Developing trade data.
- Co-ordinating the department's position on export development plans.
- Assistance to the private sector where specific trade barriers have been identified.
- Continuing to review and recommend the most appropriate trade strategy to facilitate the export of Alberta's petrochemicals.
- Co-ordinating Alberta's input into the ten provinces' position paper on Canada's trade policy for the 1980s.
- Developing a policy paper on Canada/United States relations and their impact on trade.

Trade policy projects completed during the reporting period included:

- Co-ordination and development of a long-term trade policy paper titled "Trade Policy for the 1980s - An Alberta Perspective".
- Co-ordination and development of an Alberta position on the General Agreement on Tariffs and Trade (GATT) ministerial meeting which took place in Geneva.
- Preparation of reports on Alberta exports in gas and oilfield equipment, agricultural equipment, high technology industry, and services.
- Development of short- and medium-term outlooks for exports from Alberta.
- Evaluation of Canada's relations with its major trading partners and the impact those relations had on Alberta trade. The directorate also provided information and analyses from Washington, D.C. and Ottawa.

Transportation Services Branch

Transportation is a key underpinning for any economy, especially one that is highly export-oriented. For Albertans it is particularly important, because of the great distances to be travelled by industrial products and by executives conducting business.

With the foregoing in mind, the Transportation Services Branch emphasizes the following objectives:

- Ensuring that infrastructure planning and maintenance will meet Alberta's requirements.
- Ensuring that passenger and freight services will adequately meet present and future requirements on an economic basis.
- Making recommendations on transportation policies and regulations which will assist industry in keeping transportation-related costs and obstacles to a minimum.
- Encouraging innovation in the transportation system in order to better serve existing and new markets.

In pursuit of these objectives, the branch maintains on an ongoing basis numerous contacts with industry groups, municipalities and counties, and providers of transportation-related facilities and equipment, as well as with provincial, federal, and foreign government officials. The worldwide character of Alberta's trading patterns requires attention to national and international trends and developments in transportation-related matters.

The branch is organized in operating sections, reports from each of which follow.

Transportation Economics and Analysis Section

This section specializes in the pricing of transport services, methods of estimating transportation costs, and transportation economics.

Primary functions of the section are:

- To evaluate, recommend policy, and initiate action regarding the freight rate structures, regulations, and pricing techniques of the various modes of transport.
- To evaluate, recommend policy, and initiate action regarding the costing methodology used by transportation companies, or prescribed by government bodies, where these costs affect the public interest.
- To provide and analyse freight rate, traffic, and cost data for other components of Alberta Economic Development and the public.

Major issues addressed during the 1982-83 fiscal year included the following:

Economic Assessment of Pipeline Transportation. A preliminary evaluation of the relative land transportation costs of moving coal by coal/water slurry pipeline and a rail unit train from Alberta to the west coast was completed. The results indicate that a pipeline is potentially cost-competitive with rail transportation.

Rail Rate Regulation. The primary issues addressed included Section 279 of the Railway Act, which allows railways in Canada to collectively set rail freight rates, and Section 23 of the National Transportation Act, which allows shippers to challenge railway freight rates on the basis of public interest. Rate arbitration and reparations were reviewed.

Analysis of Freight Rates for Agricultural Products. Support was given to the western canola crushing industry in the review of the rate-setting methodology.

Railway Cost Order Review and Uniform Classification of Accounts. Alberta and eight other provinces are participating in a major review of railway accounting and costing procedures.

Rail Capacity Analysis. With projected long-term increases in the cost of exporting coal, sulphur, forest products, and potash, it is imperative that adequate rail capacity be available to Alberta shippers.

International Distribution and Ports Section

This section is involved in the facilitation of international movement of goods by all modes of transportation; assists in formulation of policy, and advises on marine and port-related issues; provides information, assistance and advice to users of transportation services and to other government agencies on ports and the international movement of goods.

During the 1982-83 fiscal year, the following major issues were addressed.

Prince Rupert Grain Terminal. In December 1982, a financing agreement was signed with the consortium of grain companies. In accordance with this agreement, Alberta will provide 80 per cent financing of the project up to a maximum of $240 million, which includes financing from the Alberta Heritage Savings Trust Fund of $106.25 million.

Work on the grain terminal started immediately thereafter and has progressed satisfactorily. The project is well within established budget limitations and should be completed in late 1984. The terminal, when completed, will be the most modern grain terminal in the world, with an initial throughput capacity of 3.5 million tonnes of grain. It will have the capability of being expanded to double the throughput, when required.

Alberta-Based Inland Port and Container System. A concept of an Alberta-based domestic and international container system has been developed. This system is expected to provide attractive shipping alternatives for

manufacturers, producers, exporters, and others. The branch is assessing the feasibility and economics of the project, and expects to implement alternative systems financed by private investors during the next few years.

Opportunities in the Field of Commodity Pipelines. The introduction of new technology into transportation is expected to improve efficiency and economics. The feasibility of using commodity pipelines to complement rail lines in the movement of high volumes of resource products to the ports of export is being examined. Latest state-of-the-art technology is being considered.

Transportation to the Arctic Ocean. Continuing attention is being given to the movement of goods and passengers to northern destinations. Alberta is the logical connection to northern resource developments. Identification of transportation links which require strengthening is a matter of ongoing concern. These include road, rail and barge connections to the north.

Domestic Freight Services Section

The responsibility of this section is to ensure that the rail, truck and other transportation needs of Alberta shippers are adequately met by a developing and viable set of transportation infrastructures and services within Alberta and Canada.

Some specific areas of section activity follow.

Vancouver Rail Access Study. A joint project was undertaken with the federal government and the provinces of British Columbia, Saskatchewan, and Manitoba, to identify rail issues in the lower British Columbia mainland that could inhibit the potential for export of commodities and resources. Specific constraints such as yard congestion, interchange bottlenecks, and bridge restrictions have been reviewed with the railways. A remedial action plan has been developed with a view to improve traffic flow efficiencies.

Frozen Food Distribution Study. In co-operation with producers in the Edmonton area, the section assisted in the development and interpretation of data so that producers may expand market penetration at lower unit costs. The producers are expected to introduce consolidated services in the fall of 1983.

Road Access to Inland Grain Terminals. The section is working with various groups to ensure that truck accesses to the Calgary and Edmonton terminals of Alberta Terminals Limited are adequate to meet future needs.

Regulation of the Movement of Dangerous Goods. The province's economy is heavily weighted toward the production and use of commodities deemed to be hazardous when handled and transported. It is essential that the developing regulations are compatible to the needs of industry while at the same time producing a minimum of risk to the public at large.

Transportation Services to Lake Athabasca. With the closing of mining operations at Uranium City, Saskatchewan, traffic volumes of barging services from Fort McMurray to Lake Athabasca have dwindled substantially. The section is developing transportation alternatives to the existing services that will meet the continued needs of otherwise isolated communities.

Agricultural Transportation Section

This section is responsible for planning, developing, and administering programs on agricultural transportation. The section monitors and assesses current agricultural transportation programs through liaison with other government departments and agencies, and advises on the formulation of policy pertaining to all related agricultural transportation issues.

Major activities during the 1982-83 fiscal year included:

- A detailed analysis of alternative means of grain handling and transportation in the Peace River area.
- An analysis, review, and formulation of policy for statutory freight rates for grain.
- An examination of transport issues facing the Alberta meat packing industry.
- An analysis of transportation-related problems in the Alberta canola crushing industry.
- Administration of hopper cars financed from the Alberta Heritage Savings Trust Fund.

Passenger Transportation Section

This section is concerned with ensuring that passenger transport services to and within Alberta are at suitable levels and are provided on a sound basis. The section also deals with such transportation/land use subjects as rail relocation, and deals with questions of transport technology.

During the reporting period, the following issues were addressed:

Assessment of High-Speed Rail Passenger Service between Calgary and Edmonton. The following studies were completed or commenced:

- Examination of existing high-speed rail equipment.
- Evaluation of the potential market for high-speed rail.
- Examination of the feasibility of using the existing CP Rail line or a completely new line.

Interim Improvements to VIA Rail's Calgary-Edmonton Service. The section participated in the Canadian Transport Commission's improvement program by presenting a submission which concentrated on restoring access to downtown Edmonton.

The section also carried out work with the cities of Calgary and Edmonton and with bus and rail carriers regarding multi-modal terminals.

Western Transcontinental Passenger Rail Service. The section worked closely with Travel Alberta to convince the federal government to restore passenger rail service on the CN line through Edmonton and Jasper to Vancouver.

Alberta Air Freight Services. The section undertook a study to document the pattern of use of air freight services in Alberta and identify opportunities for improved use of these services.

The Lethbridge Railway Relocation Project. Construction of the new yards at Kipp-Coalhurst was on schedule. Operations are due to be transferred to the new facility in June 1983.

The first sales of land from the vacated downtown Lethbridge yard area occurred during this fiscal year, marketing of the remainder to be initiated in 1983-84.

Lightweight Rail Equipment. As part of the section's efforts to assist shippers to prove that bulk shipment by rail is efficient, investigations of various lightweight hopper and gondola cars were undertaken. In co-operation with European and North American manufacturers and users, plans were prepared to maintain an ongoing watch on new developments, including in-service testing.

Alberta Agency for International Development

During the 1982-83 fiscal year, the responsibility for the Alberta Agency for International Development was transferred to the Minister of Economic Development from Alberta Culture. The purpose of this program is to provide financial assistance for projects and programs which help in the economic and social development of less developed countries. This goal is accomplished through co-operation with those Canadian Non-Governmental Organizations (NGOs) to which the people of Alberta contribute for international assistance purposes. The program thus reflects the longstanding support and commitment given by Albertans to the work of these groups.

Eligible NGOs submit a detailed application for each project for which they are requesting financial assistance from the Government of Alberta. Each application is assessed and, if approved, the NGO is given a grant to supplement the amount raised through private funding. The organizations receiving financial assistance are required to provide progress reports on each project for which funds are received, as well as a final report upon the completion of each project.

The majority of projects submitted and approved are oriented to development. These projects are intended to increase productivity, create jobs, develop human skills, and encourage the use of local resources in the less developed country. Some projects are for humanitarian relief, supplying food and medical supplies and other necessities in emergency, disaster, and refugee situations.

Most projects receiving financial assistance from the Government of Alberta are located in the rural areas and smaller communities of the less developed countries. The projects involve the people of the village or community, both in their planning and their implementation. They thereby underline the belief that people are the key element in development.

Program highlights in 1982-83 included these activities.

- 75 NGOs received financial assistance, an increase of 14 over the previous year.
- 314 projects were approved for funding.
- Projects received assistance in 78 different developing countries.
- The people of Alberta contributed in excess of $12 million to the NGOs, an increase of $3 million over the previous year.
- The Government of Alberta provided $6,999,940 in financial assistance to supplement the amounts raised by Alberta by the NGOs.

Alberta Agency for International Development
Contributions made to Non-Governmental Organizations (NGOs)

Non-Governmental Organizations	1980-81 Projects	1980-81 $	1981-82 Projects	1981-82 $	1982-83 Projects	1982-83 $
Aga Khan Foundation Canada					1	
Alberta Conference of the Seventh Day Adventist Church (SAWS)	3		10		2	
Alberta Conference of the United Church	12		3		12	
Alberta Teachers' Association			1		3	
Anglican Primate's World Relief and Development Fund	3		3		4	
Arabian Muslim Association	1					
Association of Canadian Community Colleges	1					
Baptist Union of Western Canada			3		2	
Calgary Inter-Faith Community Action Association	2		2		1	
Canada World Youth	1				1	
Canadian Catholic Organization for Development and Peace (CCODP)	59		71		46	
Canadian Crossroads International			3		3	
Canadian Executive Service Overseas	2		1		2	
Canadian Hunger Foundation	1		2		1	
Canadian Institute of Cultural Affairs			1		1	
Canadian Jesuit Missions	4		3		2	
Canadian Lutheran World Relief	7		20		15	
Canadian Organization for Rehabilitation through Training	2		1		1	
Canadian Red Cross Society	3		3		4	
Canadian Save the Children Fund (CanSave)	16		7		5	
Canadian University Service Overseas (CUSO)	2		10		7	
Canadian Vision Caravan					1	
Canadian Leger and His Endeavours					1	
CARE Canada	4		3		4	
Change for Children Association of Alberta	1		1		1	
Christian Church (Disciples of Christ)			1			
Christian Reformed World Relief Committee	1		2		4	
Church of the Nazarene	1		2		2	
The Clifford E. Lee Foundation	1					
Compassion of Canada			4		1	
Co-operative Development Foundation	2		1		1	
Ealam Tamil Association						
Edmonton Society for Overseas Aid			1			
Elkay's Overseas Student Aid Society					1	
Emmanuel Relief and Rehabilitation International			1		1	
Fame Pereo Institute					1	
Food for the Hungry/Canada	1		1		1	
Foster Parents Plan	10				2	
Frontiers Foundation Inc.	1				1	
Horizons of Friendship					1	
International Child Care (Canada) Inc.	1					

Non-Governmental Organizations	1980-81 Projects	1980-81 $	1981-82 Projects	1981-82 $	1982-83 Projects	1982-83 $
Inter Pares						
Kiwanis Club of Edmonton						
L'Arche Association of Edmonton						
Leprosy Mission of Canada						
MATCH						
Mennonite Central Committee						
Mennonite Economic Development Associates						
Mission Aviation Fellowship of Canada						
Mission Possible						
Mother Teresa Habitat Institute of Alberta						
Oblate Fathers						
Operation Eyesight Universal						
Overseas Book Centre						
Oxfam Canada						
The Path Foundation						
Pentecostal Assemblies of Canada						
Plenty Canada						
Presbyterian Church of Canada						
Project Concern						
Pueblito						
Rotary District 536 Development Society						
Sahakarini Inter-World Education and Development Association						
The Salvation Army						
Save a Family Plan						
Shastri Indo-Canadian Institute						
Sir Edmund Hillary Foundation						
Sisters of Charity (Grey Nuns) of Alberta						
Sisters of Charity Providence of Western Canada						
St. Joseph's Save the Children Club						
Sudan Interior Mission (SIM) Canada						
Tibetan Refugee Aid Society						
UNICEF						
Unitarian Service Committee						
University of Calgary						
World Concern						
World Mission of Jesus Canada						
World Vision of Canada						
Wycliffe Bible Translators						
Yanta Cultural Society						
Y.M.C.A.						
Y.M.C.A. of Edmonton						
Y.W.C.A.						
Youth With a Mission						
Zonta Club of Edmonton						
TOTAL						